

VZCZCXRO5662  
PP RUEHCHI RUEHCN RUEHHM  
DE RUEHDT #0288/01 3121221  
ZNR UUUUU ZZH  
P 071221Z NOV 08  
FM AMEMBASSY DILI  
TO RUEHC/SECSTATE WASHDC PRIORITY 4142  
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS  
RUEHBY/AMEMBASSY CANBERRA PRIORITY 1225  
RUEHWL/AMEMBASSY WELLINGTON PRIORITY 0971  
RUEHKO/AMEMBASSY TOKYO PRIORITY 0903  
RUEHLI/AMEMBASSY LISBON PRIORITY 1074  
RUEHPB/AMEMBASSY PORT MORESBY PRIORITY 0060  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 1087  
RHMFIUU/CDR USPACOM HONOLULU HI  
RUEHDT/AMEMBASSY DILI 3629

UNCLAS SECTION 01 OF 02 DILI 000288

SIPDIS

STATE FOR EAP/MTS, PACOM FOR POLADS

E.O. 12958: N/A

TAGS: [PREF](#) [PGOV](#) [PHUM](#) [SOCI](#) [TT](#)

SUBJECT: TIMOR-LESTE: IDP REINTEGRATION ON TRACK DESPITE CHALLENGES

DILI 00000288 001.2 OF 002

#### SUMMARY

1. (SBU) Since April 2008, the Government of Timor-Leste's Ministry of Social Solidarity (MSS) has closed 33 of 54 internally displaced persons (IDP) camps erected after over 100,000 people fled their homes during the 2006 political-military crisis. The GOTL and NGOs estimate that over 50,000 IDPs have been resettled, and progress is ongoing. The lingering presence of the camps for over two years after the crisis posed one of the toughest challenges to the Parliamentary Majority Alliance (AMP) government led by Prime Minister Xanana Gusmao since its formation in August 2007. However, the GOTL has successfully implemented a community reintegration program for IDPs in partnership with NGOs and international organizations based on subsidies of up to \$4,500 per family. The GOTL's effort is shaping up as a success story; criticism from the opposition has been very restrained. Notwithstanding current progress, government and NGO interlocutors observed that serious challenges remain, including the continuing absence of a land law guaranteeing property rights. End summary.

#### AMP Rises To IDP Challenge - At Its Own Pace

2. (SBU) The Ministry of Social Solidarity's Secretary of State for Natural Disasters and Social Assistance Jacinto Rigoberto de Deus reported to Poloff on October 30 that 33 IDP camps have been closed since April 2008, and "guaranteed" that most of the remaining 21 camps will be closed by year's end. He also praised the partnership of NGOs who continue to assist the government to carry out the resettlement policy, and singled out the International Organization for Migration (IOM), Catholic Relief Services (CRS), the Norwegian Refugee Council (NRC), and CARE for helping the government tackle "this urgent issue in a timely and smooth manner."

3. (SBU) The solution is based on payment of subsidies of up to \$4,500 to registered IDP families who have presented evidence that their previous homes were damaged or destroyed. In crafting this policy, Rigoberto stressed the government's first priority was "to close down the most politicized and problematic camps, such as at Jardim (Dili Port), the Dili airport and the national hospital." These camps were sites of political violence in August 2007 following President Jose Ramos-Horta's announcement of the new government.

14. (SBU) Secretary of State Rigoberto underscored that the programs' success to date "does not mean all issues are resolved as we will need more funds allocated (by the government) in the 2009 budget." He noted that over 16,000 families remain registered in the ministry's IDP database as claiming government subsidies. He also expressed concern that the approaching rainy season would pose problems for those still living in camps, and stressed that the enactment of a land law guaranteeing property rights remains essential to avoid future land disputes which could create the conditions for further displacements. Representatives from the above noted NGOs expressed the same concerns to Embassy officials, adding that another lingering question remains what will take place after government subsidies are spent by the end of the year. Nevertheless, all representatives praised the government for tackling one of its highest priorities and toughest challenges with speed and efficiency given its present resources.

15. (SBU) The establishment of new National Police of Timor-Leste (PNTL) posts in several neighborhoods where residents returned contributed significantly to reducing and preventing community tensions previously predicted by government critics. However, it remains to be seen whether conflicts will re-ignite if the new posts are not kept open permanently.

16. (SBU) Despite the progress, some questions remain on the long term benefits of the government's resettlement program. For instance, while families received between \$2,500 to \$4,500 to leave the camps and rebuild their homes, many of these faced communities which objected to their return, thereby requiring community dialogue and mediation assistance from the Ministry of Social Solidarity and its partner NGOs. Some of the subsidy

DILI 00000288 002.2 OF 002

funds have been paid to communities to accept returning residents, thereby reducing the amount of funds available to rebuild homes. Some observers have expressed concern that IDPs may return to the Dili camps if they use their subsidy money for purposes other than building or repairing their homes. They may, for instance, be pressured by relatives to share the money. Unemployed youth not attached to a family unit as defined by the government also posed a problem since only a percentage of these received up to \$200 to abandon the camps.

17. (SBU) The potential for old tensions to flare up remains. A tent erected by the Ministry and NGOs in Dili's neighborhood of Becora for community reintegration dialogue was burned down last September by hostile residents not welcoming to returning IDPs, allegedly due to "east versus west" rivalries.

18. (SBU) More significantly, the absence of secure property rights and land titles in Timor-Leste exacerbates the displacement problem. Several residents in government/NGO operated transitional housing have reported to Embassy officers that they moved routinely around Dili and the districts prior to the 2006 crisis, therefore underscoring the question of where exactly those residents should return after leaving the camps. In addition, Secretary of State Rigoberto acknowledged that many residents have simply moved in with relatives throughout Dili and the districts.

#### A Dili-Centric Approach

---

19. (SBU) The overwhelming majority of camps currently being closed are in Dili, and very little attention has been paid by the GOTL to IDPs outside the capital. There are still at least six camps in Baucau with an estimated 160 families (1,000 residents). Local authorities and the Ministry have instructed donors not to supply IDPs in Baucau with food or water, since this would fuel jealousy on the part of other local residents. The city of Ermera has approximately 150 families (700 residents) living in transitional housing. Also, the GOTL has

yet to tackle the tense Metinaro camp outside of Dili, a stronghold of the FRETILIN opposition party with an estimated 1,600 families (20,000 residents), which Rigoberto described as "our toughest challenge because it is very politicized."

¶10. (SBU) Secretary of State Rigoberto summarized that the government has taken the first steps towards resolving the "internationally visible problem of the IDPs within a short amount of time." However, he warned that "(national) water distribution and land law reform are critical to guarantee (long term) stability in Timor-Leste." When asked by Poloff his assessment of the government's resettlement program to date, he concluded: "Now the tents are not there. People still need help, but they are no longer in tents."

¶11. (SBU) USAID is currently working with the government on a 5-year, \$10 million project to draft a land law and extend property rights. In addition, USAID's three most significant partners for crisis response (excluding food aid) were CRS, CARE, and NRC, all of which Rigoberto praised for their positive contributions to resolving the IDP situation.

KLEMM